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FOREIGN CROPS and MARKETS

UNITED STATES DEPARTMENT OF AGRICULTURE
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IN THIS ISSUE

Page
LATE CABLES 604
GRAINS -
United States Wheat Exports Increased 605
Australia Harvests Larger Wheat Crop 606
France Stabilizes Bread Prices by Subsidization 607
Cuban Rice Imports at Lower Level 608
TOBACCO -
Rumania Increases Tobacco Crop for German Consumption 609
Sweden Continues Efforts to Conserve Tobacco Supplies 610
Algeria Harvests Tobacco Suckers 610
FRUITS, VEGETABLES, AND NUTS -
Grapefruit Crop in Trinidad at Record Level in 1940-41; Shorter Crop Expected in 1941-42 611
Supplies of Dessert Apples and Pears in Switzerland Reduced 612
British Honduras Grapefruit Crop Hit by Storm and Locusts 614
Bahama Tomato Crop Above Normal 614
LIVESTOCK AND ANIMAL PRODUCTS -
Argentine Hog Situation Favors Increased Breeding 615
Uruguay Faces Current Shortage of Slaughter Cattle 617
New Zealand Meat Situation Improves 619
Argentine Wool Surplus 10 Percent Smaller in 1941-42 620
GENERAL AND MISCELLANEOUS -
North Caucasus Agriculture and the Russo-German War 621

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L A T E C A B L E S

Canada second estimate of 1941 production of specified crops reported as follows, with 1940 comparisons in parentheses: Wheat 302,626,000 bushels (551,390,000), rye 13,167,000 (13,994,000), barley 117,619,000 (104,256,000), oats 375,431,000 (404,309,000), flaxseed 6,473,000 bushels (3,049,000).

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G R A I N S

UNITED STATES WHEAT EXPORTS INCREASED . . .

Exports of wheat, including flour as grain, from the United States during September amounted to 5.8 million bushels this year as compared with 3.0 and 5.7 million bushels in 1940 and 1939, respectively. Wheat as grain accounted for 3.8 million bushels, while flour from domestic wheat represented nearly 1 million bushels and that milled in bond, slightly more than 1 million bushels, as compared with 1.5 and 0.5 million bushels, respectively, in September of 1940.

So far this season, July-September, 11.3 million bushels of wheat and flour have left the country as compared with 9.7 and 21.9 million bushels in the corresponding months of 1940 and 1939. About 9.2 million bushels represented domestic wheat and flour and 2.1 million bushels were of flour milled in bond from foreign wheat. Shipments during the first quarter of the season constituted 24 percent of the 1940-41 total and 40 percent of the 1939-40 exports, but present world conditions make prospects for the remainder of the current season problematical.

UNITED STATES: Exports of wheat and flour, September 1941, with comparisons

Month and year	Wheat	Flour				Wheat including flour
		Wholly of United States wheat		From other wheat		
	1,000 bushels	1,000 barrels	1,000 bushels	1,000 barrels	1,000 bushels	1,000 bushels
July-June						
1939-40 ..	23,636	4,517	21,232	2,001	9,406	54,274
1940-41 a/	10,810	4,866	22,870	1,464	6,882	40,562
July-Sept.						
1939	11,451	1,661	7,806	558	2,623	21,880
1940	3,811	890	4,182	367	1,726	9,719
1941	4,569	983	4,620	453	2,128	11,317
September						
1939	2,529	453	2,127	217	1,019	5,675
1940	990	328	1,541	110	514	3,045
1941	3,771	202	948	223	1,048	5,767

Compiled from official records, Bureau of Foreign and Domestic Commerce.
a/ Preliminary.

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AUSTRALIA HARVESTS LARGER WHEAT CROP . . .

The 1941-42 Australian wheat crop was officially estimated at 166 million bushels from a seeded area of 12,654,000 acres, according to a cabled trade report. Last year wheat production was greatly reduced; the crop amounted to less than 83 million bushels from 12,454,000 acres and was the smallest erported since 1919-20 (when 46 million bushels were harvested from 6,419,000 acres). Seeding was generally delayed this season by dry weather, and New South Wales suffered from insufficient moisture throughout the growing season. Rains in June, July, and August benefited most of the other wheat States. The most favorable conditions were reported in South Australia but they were also good in Western Australia and parts of Victoria.

AUSTRALIA: Acreage, average yield per acre, and production of wheat, 1935-36 to 1941-42

Year	Acreage	Yield per acre	Production
	1,000 acres	Bushels	1,000 bushels
1935-36	11,957	12.1	144,218
1936-37	12,317	12.3	151,390
1937-38	13,735	13.6	187,256
1938-39	14,346	10.8	155,369
1939-40	13,284	15.8	210,277
Average	13,128	12.9	169,702
1940-41	12,454	6.6	82,639
1941-42 a/	12,654	13.1	166,096

Compiled from official statistics, except as noted.
a/ Reported by the trade.

Under Australia's Wheat Stabilization Scheme adopted late in 1940, it was hoped to keep production around the long-time average level of 160 million bushels, for 140 million of which the Government guaranteed a fixed price to producers of about 56 cents a bushel, with free rail transportation to ports provided. The remaining 20 million bushels were expected to be absorbed on farms for seeding and feeding purposes. In return the farmers were obligated to seed no more than the average of their seedings during the 3 years 1938-39 to 1940-41.

Two important amendments to the National Security (Wheat Industry Stabilization) Regulations were published on July 30, 1941. One stated that lands not previously seeded to wheat but prepared or fallowed in good faith for seeding prior to January 1941 could be registered with the Australian Wheat Board as bona fide wheat areas (see Foreign Crops and Markets, August 18, 1941). The other was designed to prevent wheat sown for hay on an unregistered farm from being allowed to mature for grain. It was required that such wheat should be cut before developing beyond the milky stage.

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AUSTRALIA: Acreage and production of wheat, by States, 1938-39 to 1940-41

State and item	1938-39	1939-40	1940-41
	1,000 acres	1,000 acres	1,000 acres
Acreage			
New South Wales	4,651	4,381	4,289
Queensland	442	361	302
Victoria	2,748	2,827	2,673
South Australia	3,080	2,735	2,559
Western Australia	3,413	2,970	2,620
Australian Capital Territory	2	2	2
Tasmania	10	8	9
Total	14,346	13,284	12,454
Production	1,000 bushels	1,000 bushels	1,000 bushels
New South Wales	59,898	76,552	24,441
Queensland	8,584	6,585	5,600
Victoria	18,104	45,054	13,521
South Australia	31,675	41,072	17,822
Western Australia	36,844	40,861	21,048
Australian Capital Territory	59	45	20
Tasmania	205	108	187
Total	155,369	210,277	82,639

Compiled from official statistics.

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FRANCE STABILIZES BREAD PRICES BY SUBSIDIZATION . . .

The French Government has decreed that the difference between fixed prices to producers for grains and the maximum price for bread shall be borne by the Government, according to information received in the Office of Foreign Agricultural Relations. The total expenditure for such subsidization during one season is estimated at around 6 billion francs (about $120,000,000 at the rate of exchange of 1 franc equals about 2 cents).

The basic price of wheat for the 1941-42 season was fixed at 290 francs per quintal ($1.58 per bushel) as compared with 214 francs per quintal (about $1.16 per bushel) in September 1940. Beginning with October, an increase of 1.50 francs (0.82 cent) is made each month to the basic price (last season 2.00 francs, 1.1 cents) to cover storage and handling costs, and an additional premium of 11 francs (6 cents per bushel) was decreed this year for early deliveries.

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These high prices to farmers would have necessitated an increase in the price of bread had not the Government decided to bear part of the cost. The decision, however, reflects the difficulties being experienced in France with regard to food supplies. In this connection, it should be pointed out that a recent decree provides that all foodstuffs over and above a certain designated quantity be reported to the authorities. This step was taken it is said, to prevent the accumulation of stocks that might be sold illegally.

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CUBAN RICE IMPORTS AT LOWER LEVEL . . .

Total rice imports into Cuba during September were, as in August, lower than the preceding month, according to unofficial statistics received from Habana. Rice imports for the first 9 months of 1941 were approximately 10 million pounds below the corresponding period in 1940. Higher prices this year, it is believed, may be causing a slight decrease in consumption. Rice from the United States continues to dominate Cuban imports, representing 92 percent of the total for the first 9 months of this year as compared with 68 percent for the same period a year ago.

Purchases of United States rice during recent weeks have been irregular but at a somewhat higher level than in the late summer. During the first week in November, sales of 1,300,000 pounds of Mexican rice were reported in Habana. Further sales of Mexican rice are possible, as supplies in that country have been reported ample. Rice exports from Mexico during 1931-1940 average 17,600,000 pounds.

CUBA: Imports of rice, September 1941, with comparisons

Country of origin	September		January-September		January-December	
	1940	1941	1940	1941	1939	1940
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United States	19,746	17,804	205,615	268,833	222,660	255,449
Orient	4,589	-	95,995	15,216	220,800	172,073
Egypt	-	-	728	-	601	650
Ecuador	-	1,000	-	6,850	-	-
Dominican Republic.	-	-	-	1,826	-	-
Others	-	-	-	-	76	1,028
Total	24,335	18,804	302,338	292,725	444,137	429,200

American Consulate, Habana.

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T O B A C C O

RUMANIA INCREASES TOBACCO CROP FOR GERMAN CONSUMPTION . . .

Owing to the shortage of European tobacco supplies, it was planned to increase the 1941 tobacco crop of Rumania, according to information available in the Office of Foreign Agricultural Relations. The plans called particularly for a greater production of high-grade types and, in this connection, special attention was paid to Bessarabia, where the land is said to be well adapted to tobacco cultivation. Attempts are being made particularly toward the development of several types which were formerly imported into Germany, in order to offset the prevailing shortage of overseas supplies. The planned area in Rumania was increased by about 30 percent and included 41,167 acres. The yield from this area is reported to have been about 25.8 million pounds, as compared with 20.9 million pounds in 1940.

RUMANIA: Area, production, and yield of tobacco, 1932-1941

Year of harvest	Area	Production	Yield per acre
	Acres	Pounds	Pounds
1932	25,214	15,609,229	619
1933	24,967	13,844,586	555
1934	24,660	13,019,495	528
1935	44,424	28,737,237	647
1936	45,165	33,218,564	735
1937	35,261	22,635,290	642
1938	42,511	27,206,528	642
1939	53,166	30,238,294	569
1940	31,765	20,948,700	659
1941	41,167	25,794,000	625

Anuarul Statistic al Romaniei; also Bulletin de la Caisse Autonome des Monopoles du Royaume de Romaniei; also Statistique Agricole.

Consumption in Rumania declined in 1940 by about 8 percent and amounted to approximately 25.4 million pounds. The decline was said to have been due primarily to territorial losses, but it was somewhat offset by the large-scale mobilization of men for army service and by the additional cigarette consumption of German troops in Rumania. The tendency to smoke cigarettes rather than cut tobacco continued throughout the first quarter of 1941. As the production and sale of tobacco are State Monopolies in Rumania, there is no free market for the sale of leaf and cut tobacco. Prices paid to growers are established by the Monopoly office, according to grade and variety, and these averaged 24.28 lei per kilogram (7.8 cents per pound) during 1939, and 30 lei per kilogram (9.4 cents per pound) during 1940.

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Market prospects for the Rumanian crop this fall are said to be bright, owing not only to the shortage of overseas supplies, but to the fact that the exportable surplus of some European producing countries will be smaller. In addition to an increased crop in 1941, Rumania is reported to have some important stocks, which may be disposed of at advantageous prices.

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SWEDEN CONTINUES EFFORTS TO CONSERVE TOBACCO SUPPLIES . . .

As a result of continued shortage in the supply of American tobacco, the Swedish Tobacco Monopoly has found it necessary to reduce its output of pipe tobacco to only two brands, according to reports received in the Office of Foreign Agricultural Relations. This is the second effort made by the Monopoly to conserve supplies of raw tobacco. It was reported recently that, beginning October 1, the Monopoly would reduce the weight of all cigarettes by substituting paper mouthpieces for one-third of the tobacco content, and thus effect an annual saving of about 1.8 million pounds of tobacco. (See Foreign Crops and Markets, November 3, 1941) In view of the present tendencies toward panic purchases of cigarettes, the Monopoly has started a monthly ration of all tobacco products sold to retailers.

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ALGERIA HARVESTS TOBACCO SUCKERS . . .

Despite existing legislation to the contrary, a decree was issued on September 10, 1941, by the Governor General of Algeria authorizing the harvesting, curing, and processing of tobacco suckers, according to a report received in the Office of Foreign Agricultural Relations. Growers must put in a declaration of their intention to take advantage of this concession immediately the picking of the first growths have been completed.

In order to make up for the short crop in 1940, which was only about two-thirds of the average production, and, in response to an increased demand, the objective set by Algerian producers in 1941 was a crop of approximately 50 million pounds. With favorable weather conditions, this goal would not have been impossible, as the growers had realized high prices in 1940. The area suitable for tobacco production is limited in Algeria, however; hence the necessity of harvesting the second growth to fill the greater requirements of France, whose tobacco-producing area is now occupied by Germany.

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FRUITS, VEGETABLES, AND NUTS

GRAPEFRUIT CROP IN TRINIDAD AT RECORD LEVEL IN 1940-41; SHORTER CROP EXPECTED IN 1941-42 . . .

The 1940-41 grapefruit crop in Trinidad has been estimated at 290,000 boxes (of 100 each), or the heaviest on record, according to information received by the Office of Foreign Agricultural Relations. This estimate compares with the previous record production of 260,000 boxes in 1939-40 and the average of 49,000 boxes in the 5 seasons, 1931-32 to 1935-36. The crop during the coming season is expected to be reduced by the extended dry weather in the past spring and the expected shortage of labor during the harvesting period, January-June. Accordingly, the preliminary forecast places the expected outturn 15 to 25 percent below last year.

Since the marketing of grapefruit within Trinidad is scattered and unorganized, an accurate estimate of the volume consumed locally is difficult to determine but has been roughly calculated to be around 80,000 boxes in the form of fresh grapefruit and grapefruit juice. Consumption, especially of grapefruit juice, has expanded substantially since the arrival of a large number of Americans in connection with the construction of bases. This is indicated by the fact that local consumption of the juice during the calendar year 1940 amounted to 1,484 cases (of 24 cans of 20 ounces each) while about 1,348 cases were distributed in the month of August 1941 alone.

Exports during the 1940-41 season amounted to only about 33,700 boxes of fresh fruit, compared with 124,490 boxes in the previous season and an average of 25,365 boxes in the 5 seasons, 1931-32 to 1935-36. Exports of grapefruit juice, however expanded from 111,707 gallons to 376,795 gallons in 1940-41. Exports of Trinidad grapefruit normally move to Canada and the United Kingdom, but the scarcity of shipping space to both these countries has sharply curtailed fresh-fruit exports.

In September 1940, it was announced that Great Britain would purchase the bulk of the crop in the form of fresh fruit, but the serious shortages of ship bottoms compelled the withdrawal of this commitment shortly afterward. As a result, the crop was largely salvaged by the production of juice at the local canning factory. By a rapid expansion of its juice-making capacity, the factory was able to take care of the bulk of the harvest. In this way exports were maintained, since exports of juice replaced to a large extent former exports of fresh fruit.

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SUPPLIES OF DESSERT APPLES AND PEARS
IN SWITZERLAND REDUCED . . .

The combined 1941 apple and pear crop in Switzerland is reported slightly below average, according to information received by the Office of Foreign Agricultural Relations. The estimated quantity of apples available for marketing is placed at 5,271,000 bushels, or 23 percent below the estimate for the previous year, while the pear crop, on the other hand, is placed at 2,846,000 bushels, or an increase of nearly 125 percent over that for 1940. Supplies of cider fruit are heavier than in the previous season, but the crops of dessert fruit are definitely shorter. Table-apple supplies are estimated at 2,661,000 bushels compared with 4,158,000 bushels in 1940, and table pears at 154,000 bushels compared with 178,000 bushels.

SWITZERLAND: Estimated quantities of apples and pears available for marketing, 1937-1941

Fruit	1937	1938	1939	1940	1941
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Apples -					
Early dessert	1,054	405	316	887	569
Late dessert	3,311	1,264	1,175	3,271	1,992
Cider	5,146	1,161	1,144	2,691	2,710
Total apples	9,511	2,830	2,635	6,849	5,271
Pears -					
Early cider	1,084	1,328	628	585	1,384
Late cider	796	1,100	487	513	1,308
Dessert	169	88	138	178	154
Total pears	2,049	2,516	1,253	1,276	2,846

American consulate, Zurich. Apples converted to bushels of 48 pounds, pears to bushels of 50 pounds.

A preliminary estimate of the 1941 apple crop has been placed at 19,290,000 bushels, compared with a 1940 production of 26,639,000 bushels and an average of 18,154,000 bushels for the 4 years, 1935-1938. The 1941 production of pears is now estimated at 11,023,000 bushels, compared with 8,157,000 bushels in the previous year and an average of 7,308,000 bushels in the 4 years, 1935-1938. The bulk of the Swiss pear crop and a considerable proportion of the apple crop consists of varieties that are used only for cider and not as table fruit.

The 1941 growing season got off to an unfavorable start with cold weather and frosts during the blossoming period. The damage to the crop at that time was probably under-estimated by officials, who placed the condition of the crop at 71 for apples, and 69 for pears (100 = excellent crop in all sections of the country). Consequently, the July 1 estimates were reduced, despite rather mild and favorable weather in June, while drought during July caused a heavier drop that had been anticipated.

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The weather improved in August, with considerable rain, but severe hailstorms reduced the crop in several localities. The quality of the 1941 crop was adversely affected by widespread scale infestation, and the Swiss Fruit Association decided in September that only fruit that had been sprayed could be shipped as first-quality produce.

Prices for fruits generally have been high in Switzerland. Early fruit sold during the summer of 1941 at a high level, and prices for imported fruit were even higher. Prices being quoted in August were from 2 to 4 times above those ruling last year and were clearly beyond the means of a large part of the population. It is expected, therefore, that the Federal Price Control Office will fix prices at a level that will permit more general consumption of apples and pears.

The initial steps along this line were taken in June, when the Price Control Office fixed the maximum profit margins that may be applied to fruit sold or stored. Both producer and retail prices were fixed. At the end of August, retail prices were reduced about 20 percent. Officials have announced that the Government will attempt to make speculation in fruit impossible.

Producers and middlemen found the established prices too low and argued that low prices would bring about a "black" market and thus disturb the regular distribution of supplies. As a preventative, the Government decided to introduce stricter control over the fruit trade generally. Occasional dealers not permanently in the fruit trade will not receive trading licenses, and dealers who do not operate according to the Government scheme are to lose their licenses.

Strenuous efforts are being made to achieve maximum utilization of the 1941 fruit crops. According to the plans of the War Food Office, priority will be given to fruit consumed fresh and then to fruit for drying. The manufacture of fruit concentrates, the production of juice, and the production of cider vinegar follow in order of importance in this scheme. Manufacturers of fermented cider are to be the last to be supplied with fruit. The distillation of alcoholic spirits from fruit will be prevented so far as possible.

Fruit production is one of the more important branches of Swiss agriculture, and Swiss fruit exports usually reach a considerable volume. In 1940, for example, with a heavy apple crop, about 47,000 short tons of apples and pears were exported; and these provided about 15 million Swiss francs ($3,700,000) of exchange for essential imports. A new trade agreement with Germany provides for Swiss exports of fruit and fruit products, among other commodities, to Germany this season. With the shorter domestic supplies available in 1941, however, Swiss exports are expected to be substantially reduced.

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BRITISH HONDURAS GRAPEFRUIT CROP
HIT BY STORM AND LOCUSTS . . .

The 1941 grapefruit crop in British Honduras is estimated at only about 55,000 boxes compared with a crop of about 100,000 boxes in 1940 and 125,000 boxes in the preceding year. A severe hurricane recently blew the equivalent of about 45,000 boxes of citrus, largely grapefruit, from the trees. The damage was particularly extensive in the Stann Creek Valley, the most important citrus area in British Honduras, while reports from other areas indicate less damage. Tree injury was reported to be negligible, the damage consisting almost entirely of fruit blown to the ground. Infestation of locusts has also damaged the country's citrus crop, from which about 25,000 boxes of citrus fruit have been lost and a considerable number of trees have been killed.

Trade reports indicate that the Honduran Colonial Government is attempting to secure a contract from the British Ministry of Food for the sale of citrus pulp, as has already been done in the case of Jamaica. Grapefruit, sweet orange, and seville orange pulp are available from British Honduras. Should these arrangements be completed, prices on the local market for the fruit remaining are expected to improve. It is also expected that the Citrus Association will be able to dispose of the lemons in the form of raw juice within the United Kingdom. The principal difficulty in this program appears now to be the acquisition of sufficient shipping facilities to move the fruit products to Great Britain.

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BAHAMA TOMATO CROP ABOVE NORMAL . . .

The 1941 tomato crop in the Bahama Islands is estimated at between 130,000 and 145,000 lugs (of about 30 pounds) or slightly above the 1940 crop of around 128,000 lugs, according to information received by the Office of Foreign Agricultural Relations. Acreage for the current season is placed at 1,200 of which 840 acres of tomatoes are reported on Eleuthera, 300 acres on New Providence, and 60 acres on other islands in the Bahama group. The hurricane of October 5 had no serious effect on the crop other than in retarding early shipments and causing some replanting. The greatest damage was on Cat Island and New Providence, but replanting has already taken place, and a normal yield is expected. The new crop, however, will be later than usual. Last season's exports (1940-41) totaled 126,972 lugs, practically half of which were shipped in December, with November and January exports also high. Almost the entire movement went to Canada, because Bahama tomatoes cannot compete in the United States with Cuban tomatoes, which are granted preferential tariff treatment.

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LIVESTOCK AND ANIMAL PRODUCTS

ARGENTINE HOG SITUATION FAVORS INCREASED BREEDING 1/ . . .

The hog situation in Argentina, from the standpoint of pork producers, is probably the most favorable that has been experienced in the history of the local industry. With the conclusion of a contract for frozen boneless pork for England of 88 million pounds during the 12-month period ending September 30, 1942, the industry is assured of the largest export demand that it has ever experienced, and at prices which at present enable payments of as high as 5.1 to 5.4 cents per pound. This is recognized as an excellent price, although not, by any means, a record price.

BUENOS AIRES: Price per 100 pounds of hogs and of corn, and hog-corn price ratios, by months, 1939-1941

Month	Hogs			Corn			Ratios		
	1939	1940	1941	1939	1940	1941	1939	1940	1941
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Percent	Percent	Percent
January ..	5.79	6.21	3.78	1.05	0.84	-	5.5	7.4	-
February .	5.81	6.08	4.73	0.96	0.71	-	6.0	8.5	-
March	5.81	5.54	4.59	1.03	0.70	-	5.6	7.9	-
April	5.81	4.86	4.32	0.90	0.63	-	6.4	7.7	-
May	5.81	4.73	4.32	0.86	0.58	-	6.7	8.1	-
June	5.81	4.32	4.32	0.89	0.55	-	6.5	7.8	-
July	5.66	4.05	4.59	0.84	0.58	-	6.8	6.9	-
August ...	5.51	3.78	4.73	0.84	0.57	-	6.6	6.7	-
September	5.06	3.78	a/ 5.00	0.93	0.54	-	5.5	7.0	-
October ..	5.54	3.78	-	0.96	0.45	-	5.8	8.0	-
November .	5.54	3.78	-	0.97	0.42	-	5.7	8.9	-
December .	5.81	3.65	-	0.95	0.39	-	6.1	9.2	-

Revista de la Asociacion Argentina de Criadores de Cerdos and Boletin de Estadistica Agropecuaria, Ministry of Agriculture.
a/ Preliminary.

The factor that makes this price and this export outlet so favorable for producers is the exceedingly low prices at which corn can be procured at the present time. Corn from the 1940 crop, badly weeviled at this date, is procurable, it is stated, at 27 cents per short ton unshelled in the cribs. In the strictly corn zone, where corn is as cheap as this, some corn has been and is, no doubt, being fed to hogs. To feeders outside of the main corn zone, shelled corn from the 1941 crop is being resold by the

1/ By Paul O. Nyhus, American agricultural attaché, Buenos Aires.

National Grain and Elevator Commission at 27 cents per 100 pounds, equivalent to about 15 United States cents per bushel. A feeder of hogs at Mar del Plata reports that he has just bought 70 tons of corn from the 1941 crop delivered at Mar del Plata at 41 cents per 100 pounds. In the latter sales sacks were furnished by the buyer and in connection with sales at these prices sacks are generally for the account of the buyer. The above prices indicate a considerable range of prices for corn for feeding purposes and the situation of prices paid for corn by hog feeders in different districts varies greatly.

As a consequence of these extremely low prices of corn and good prices for hogs, all reports from the country indicate the unprecedented interest in securing hogs for breeding purposes. Some districts that had greatly reduced hog feeding are again back in the industry, and it is stated that interest in hog raising is pronounced throughout the cereal and livestock zones of the country.

Hog Marketings

From the following table, it will be noted that hog marketings have been large so far in 1941 and that in September preliminary statistics indicate marketings of 140,000 head. This compares with 84,500 head in September 1940 and 77,600 head in September 1939. These marketings exceed any September marketings on record.

ARGENTINA: Monthly hog marketings, January 1938-September 1941

Month	1938	1939	1940	1941
	Head	Head	Head	Head
January	83,400	41,200	51,200	78,600
February	72,700	50,700	66,200	83,100
March	80,500	71,900	68,000	109,100
April	93,700	81,300	74,000	109,100
May	99,700	71,400	83,500	123,000
June	90,400	89,900	78,400	123,200
July	112,800	101,600	77,900	121,200
August	105,600	84,000	78,300	111,900
September	79,600	77,600	84,500	a/ 140,100
October	84,600	68,200	86,500	-
November	65,800	65,200	77,600	-
December	53,000	66,200	80,200	-

Compiled from Revista de la Asociación Argentina de Criadores de Cerdos.
a/ Preliminary.

One of the features of the present marketings is the high average weights. To date heavy weights are not being discounted in prices, and,

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if the supplies of heavy hogs do not exceed the requirements of the British frozen-boneless-pork order, large quantities of heavy-weight hogs can be utilized. If the supply of heavy hogs, however, exceeds the English requirements, it will be difficult to find an outlet for them in the local market. One of the largest hog feeders is feeding his hogs to weights of 300 to 320 pounds. Due to the extremely low price of corn, he states that even at some discount it is more advantageous to him to feed to these heavy weights.

Exports

In the following table, indicating exports of leading pork products, it will be noted that exports of frozen pork during the third quarter of this year were 20,582,000 pounds. These large exports were brought about by the previous British orders. The new British contract for 88 million pounds of boneless frozen pork for the next 12 months is broken down into three amounts, each covering a period of 4 months. Some variation in these shipments will occur as a result of seasonal supplies. The export of 88 million pounds of frozen pork to England compares with total annual exports of frozen pork, not necessarily boned, of 14 million pounds in 1939 and 3 million pounds in 1940.

ARGENTINA: Exports of leading pork products, 1939, 1940, and January-September 1941

Classification	1939	1940	1941		
			First quarter	Second quarter	Third quarter
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Chilled pork	26	20	2	2	-
Frozen pork	13,871	3,408	10,126	14,330	20,582
Salted pork	4,131	1,116	2,460	5,423	183
Pork products	10,267	1,995	4,398	9,696	741
Lard	8,585	5,928	2,793	4,747	4,612

Argentine Bureau of Statistics.

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URUGUAY FACES CURRENT SHORTAGE OF SLAUGHTER CATTLE . . .

A shortage of beef cattle sufficiently advanced in growth to meet minimum-weight standards is reported at the present time in Uruguay. This is largely due to heavier slaughtering to fill British orders in the past 2 years. Growers are also said to be holding back cattle from market until the new British contract is announced. There is a feeling that the New British prices will be higher, and that by delaying marketing, the cattle will not only be heavier, but the expectation is that they may be marketed at higher prices.

Packing plants will not resume slaughtering at full capacity until November 15. The current shortage has resulted in a rise in the price of cattle on the hoof at Montevideo from $4.78 (American) per 100 pounds to $5.08. 1/ Cattle slaughter by freezing companies, including the National Freezing Company at Montevideo, in the first 10 months of the British contract period (October-July) totaled 899,000 head, an increase of 4 percent above the same period of 1939-40. Slaughter in May and June 1941, moreover, was the largest in the past 5 years. Exports of refrigerated meats to the United Kingdom in the first 5 months of 1941 totaled 67 million pounds, an increase of 27 percent above a year earlier.

URUGUAY: Slaughter at all freezing companies, including the National Freezing Company in Montevideo, by months, October 1936 to July 1941

Month	1936-37	1937-38	1938-39	1939-40	1940-41
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
October	56	52	58	44	51
November	43	52	68	59	62
December	51	81	72	68	40
January	67	102	72	99	80
February	88	98	88	121	73
March	93	102	115	115	102
April	111	89	96	98	105
May	99	104	115	124	158
June	109	91	93	87	145
July	76	67	81	47	83
August	55	62	73	56	-
September	49	53	55	45	-

Compiled from reports from the United States Embassy at Montevideo.

Cattlemen are now required to pay a tax on all cattle slaughtered, according to a decree of September 3, 1941. The tax is for the purpose of covering the deficit of the official National Freezing Company (Frigorifico Nacional), which in the past has been taken care of by a direct appropriation or from exchange profits. Since the price of meat for domestic consumption in Montevideo is fixed by the municipality in the interest of the consumer, the National Freezing Company has been operating at a loss. The tax on the different classes of cattle and calves is placed at 1 cent per pound when prices of the different classes do not exceed the following: Bulls, oxen, calves, cows, $3.88 per 100 pounds; young steers, $4.48. Should the price in either category exceed the limits fixed, 20 percent additional on the excess will be collected on all sales.

1/ All conversions to the United States dollar made at controlled rate of exchange 65.83 cents to the peso.

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A later decree of September 26, 1941, provides that if cattle are sold at the Montevideo Tablada (Stockyards) or the Frigorifico Anglo del Uruguay at Fray Bentos for less than the following average prices: bulls and oxen $2.68 per 100 pounds, cows $2.99, calves $3.28, and young bulls $3.73 per 100 pounds, they shall be exempt from payment of the tax on cattle sold for slaughter. The scales of the Frigorifico Anglo del Uruguay will be considered official for the purpose of this tax.

URUGUAY: Exports of meat, annual 1937-1940, January-April, 1940 and 1941

Kind of meat	1937	1938	1939	1940	January-April 1940	January-April 1941
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Chilled beef	70	89	42	-	-	-
Frozen beef	67	56	79	108	39	30
Frozen mutton ...	18	19	25	29	12	13
Canned meat	76	49	52	63	15	6

Boletin de Hacienda.

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NEW ZEALAND MEAT SITUATION IMPROVES . . .

Recent reports received from New Zealand indicate that a decrease in the large meat stocks has caused an improvement in the meat situation of that country. This was indicated by the New Zealand Minister of Agriculture when he recently stated that the carry-over of all classes of meat at the end of the 1941 meat year (September 30) was estimated at 85,000 long tons (190,400,000 pounds) instead of 120,000 tons (268,800,000 pounds) as had earlier been calculated. Beef is specifically reported to be in a better position, with a carry-over of approximately 20,000 tons (44,800,000 pounds).

In normal times, practically all of the exportable surplus of meat in New Zealand is shipped to the United Kingdom. Although no definite agreement has been made between the two countries for the 1941-42 meat year, the latter has stated that it will endeavor to take 275,000 tons (616,000,000 pounds) of New Zealand meat during this period. Total meat production in New Zealand for the 1941-42 meat year (October 1, 1941, to September 30, 1942) is estimated at 750,400,000 pounds, thus leaving a nonexportable surplus of 134,400,000 pounds, part of which will be used by domestic consumption.

It was further noted that an improvement has also materialized in the meat-storage facilities within New Zealand to a point where approximately three-fourths of a year's meat output can be safely stored. Such facilities should, before the end of the next season, provide for nearly 566,720,000 pounds, or an increase of 43 percent over the pre-war

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refrigerated space. Meat storage and shipping facilities are being further improved by dehydrating processes, removing of bones, and canning. Thus a greater amount of food is being stored and shipped in a smaller amount of space.

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ARGENTINE WOOL SURPLUS 10 PERCENT
SMALLER IN 1941-42 . . .

Argentina will have about 10 percent less wool to export in the 1941-42 season, October-September, than in the preceding one as a result of a smaller carry-over and an estimated increase in domestic consumption, according to a cable from Agricultural Attaché Paul O. Nyhus. The estimated quantity available for export, taking into consideration a carry-over of only 81 million pounds this year compared with 121 million pounds a year ago, and a 10-million-pound increase in domestic consumption, is calculated at 478 million pounds, a reduction of 10 percent compared with 1940-41.

Argentina has always been an important source of United States coarse-wool imports, and the war has greatly increased our dependence on Argentina, not only for the usual coarse-wool imports but for an increased quantity of the finer types usually imported mainly from Australia and the Union of South Africa. The cutting off of continental Europe by the blockade has destroyed a market for approximately 45 percent of Argentine wool, whereas the greatly increased and growing consumption of wool in the United States for National Defense purposes has made this country more dependent on Argentina than formerly.

During the 12-month period ended September 30, 1941, 83 percent of Argentina's wool exports were to the United States, compared with 49 percent in 1939-40 and only 21 percent in 1938-39. Imports of Argentine fine wool in the first half of 1941 amounted to 104 million pounds and were slightly larger than imports of the coarser types. Fine-wool imports of 40's and over from Argentina were over four times as large as in the first half of 1940, whereas coarse-wool imports were a little over twice as large.

Argentine wool production in the 1941-42 season will equal approximately 474 million pounds and will be about the same as the quantity produced in 1940-41, according to revised estimates based on actual exports for that season, stocks, and domestic consumption. Production in the 5-year period 1935-36 to 1939-40 averaged 389 million pounds. Actual exports in the 1940-41 season amounted to 448 million pounds, grease equivalent, compared with 308 million pounds in 1939-40, and an average for the seasons 1934-35 to 1938-39 of 323 million pounds.

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G E N E R A L A N D M I S C E L L A N E O U S

NORTH CAUCASUS AGRICULTURE AND THE RUSSO-GERMAN WAR 1/

The Nazi operations in southern Russia constitute a serious threat to the North Caucasus, one of the richest agricultural regions of the Soviet Union, nearly equal in size to Iowa and Kansas combined. 2/ Considerable wheat and barley surpluses and various oilseed and other industrial crops are produced in this region.

Although the name North Caucasus suggests immediately a mountainous country, a large part of the area is a plain extending northward from the foothills and mountain ranges of the Caucasus. It is bounded on the west by the Black and Azov Seas and on the east by the inland Caspian Sea. In the north this plain is merged with the southern Russian steppes, of which it is really a continuation.

For centuries the region witnessed successive invasions from neighboring Asia until the Russian conquest that ended, after a long, bloody struggle with the native Mohammedan tribes, only in the middle of the 19th century. The first Russian settlers were the Cossacks who had fled from oppression in the older regions of Russia to the rivers Don, Terek, and Kuban, and who were later utilized by the Government to guard these frontier lands. The end of the Caucasian wars, the emancipation of peasants from serfdom in Russia, the growing pressure on land in the central regions, and the advent of railroads, all served to stimulate during the second half of the 19th century a large-scale colonization and rapid agricultural development in the North Caucasus, resembling in many respects that of the American West.

In spite of the subsequent industrial advance, 70 percent of the 10 million people inhabiting the region still lived on the land, according to the census of January 17, 1939. Even in the Rostov Province, the most industrialized of all, since it includes the eastern part of the Donets coal mining district and such a large industrial center as Rostov, 56 percent of the population was rural. In 1928 the North Caucasus had nearly 1,600,000 small peasant farms. These were, with insignificant exception, collectivized or "liquidated" in the early thirties after a very bitter struggle between the Kremlin and the local Cossack population. In 1938 a sown area of about 30,000,000 acres was distributed among less than 7,600 collective farms (serviced by over 500 machine tractor stations)

1/ By Lazar Volin, Senior Agricultural Economist.
2/ The territory considered as constituting the North Caucasus has varied. For the purposes of the present article the following administrative divisions (Provinces and National Republics) were included: Rostov, Krasnodar, Ordjonikidze, Dagestan, Kabardin-Balkar, Checheno-Ingush, and Severo-Osetin.

and over 300 state farms. There were on such farms nearly 46,000 tractors, 18,000 combines, 19,000 trucks, more than 1,000,000 horses, 4,300,000 head of cattle, 2,000,000 hogs, and 7,400,000 sheep and goats.

The northern and eastern parts of the North Caucasus plain are quite dry and best suitable, especially in the east, for ranch livestock farming. But in the central and especially the southwestern parts, in the steppes of the lower Don and Kuban, climatic conditions and fertile black soils favor diversified farming. The relatively mild winters, corresponding to those of Iowa and Northern Indiana, favor the growing of high-yielding winter wheat. 1/ Comprising nearly one-fourth of the Russian winter wheat acreage, North Caucasus ranks next in importance to the Ukraine as a winter-wheat-producing region. Similarly with barley, the acreage accounts for about one-fifth of the total Russian barley area. Nearly 40 percent of the small Russian corn acreage is also concentrated in this region. A small quantity of rice is cultivated in the delta of Kuban.

With the proximity to the Black Sea and Azov ports, the North Caucasus has long been one of the leading Russian grain-export regions, constituting, in fact, part of that southern Russian "bread basket" that has often been associated exclusively with the Ukraine. 2/ During the 5-year period, 1930-31 to 1934-35, for which data are available, North Caucasus accounted for 26 percent of the Russian export shipments of wheat, 19 percent of barley, and 21 percent of all principal grains. Most of these exports passed through the Black Sea port of Novorossisk. North Caucasus also contributed to the domestic grain supply of the deficit regions of northwestern and north-central European Russia, the Turkestan, beyond the Caspian Sea, and Transcaucasia. In 1937 net shipments of all grain from North Caucasus to these regions amounted to over 1,500,000 short tons. With shipments abroad added, which in a year like 1937 probably amounted to no less than 250,000 to 300,000 tons, the grain surplus of North Caucasus could be estimated conservatively at around 1,800,000 tons. This is only about 123,000 tons less than total Russian grain exports in a recent good year like 1937-38.

In addition to grains, a variety of technical crops such as tobacco, some cotton, sunflower seed, castor beans, and others are grown in this region. Especially important are the oilseed crops, sunflower seed and castor beans, in which North Caucasus leads in the Soviet Union. Sunflower seed is a source of edible oil, which plays a highly important part in the Russian fat supply, while castor oil has an important use in aviation.

1/ Winter wheat accounted in 1938 for 35 percent of Russian wheat acreage.

2/ For an account of Ukrainian agriculture, see L. G. Michael, Foreign Agriculture, July 1939.

As to the extent to which the Nazis might benefit from the occupation of North Caucasus, a distinction must be drawn between the immediate situation during the current 1941-42 season and that of the following years. The harvesting of 1941 crops in this area should be completed, and in the case of small grains, finished before the end of summer. Thus the Russians have had much more time in North Caucasus than in the Ukraine for gathering the 1941 crop and presumably to insure that it would not fall into enemy hands. But transportation is a serious limiting factor.

It is clear, however, that should a serious Nazi penetration into this region materialize during the coming winter, it would widen still further the gap in the Russian food supply in 1942-43 created by the loss of the Ukraine and the invasion of the central black soil area (the Provinces of Kursk, Oriol, and Tula). 1/ Furthermore, the sowing of winter grains this autumn, which apparently was prevented by military operations in large areas of the Ukraine, suffered no such interruption in North Caucasus, though the area sown might have been smaller than normally. The sowing operations in the latter region, therefore, should be completed by this time. The winter grain which will be harvested next summer can hardly be destroyed now. Should the Nazis, therefore, succeed in occupying this territory during the next few months they would be able to reap the harvest which the Russians have sown, whereas in the Ukraine this will not be the case. It is possible, however, that the Germans obtained in the Ukraine substantial quantities of grain from the 1941 harvest which the Russians were not able to destroy or ship away.

The Nazis, of course, would still be faced with the difficult problem of spring planting without tractors or horses, even if they should succeed in gaining possession of the oil fields in Grozny and Maikop, which in 1938 produced 16 percent of the Russian oil supplies. For the Russians usually take good care not to leave any draft power or implements undestroyed in their retreat. It is also to be expected that the Russians will, if they have not done so already, remove machinery and otherwise put out of commission the great farm implement factory in the endangered city, Rostov-on-the-Don.

Thus, in North Caucasus, as in the other occupied regions of collectivized agriculture, acute shortage of draft power and implements constitutes the most serious stumbling block to Nazi exploitation of the rich agricultural land they invaded. But the local population, too, may suffer from serious food shortage, and the Soviets will be deprived of valuable food surpluses.

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1/ For a more detailed analysis see Foreign Agriculture, October 1941.

- - - - - - -

Index

Page

Late Cables 604

- - - - - - - - - - -

Agriculture, effects of Russo-German war, North Caucasus, 1941-42 621-623
Apples:
Production, Switzerland, 1935-1941 612
Supplies (for marketing), Switzerland, 1937-1941 612
Cattle:
Shortage (slaughter), Uruguay, 1941-42 617
Slaughter, Uruguay, October 1936 - July 1941 618
Corn:
Price ratios (hog-corn), Argentina, 1939,1940 615
Prices, Buenos Aires, 1939,1940. 615
Flaxseed, production, Canada, 1940,1941 604
Grapefruit:
Consumption (juice), Trinidad, 1940, August 1941 611
Crop prospects:
British Honduras, 1941 614
Trinidad, 1941-42 611
Exports, Trinidad, 1931-32 to 1940-41 611
Production:
British Honduras, 1940,1941 .. 614
Trinidad, 1935-36 to 1940-41 . 611
Hogs:
Marketings, Argentina, January 1938 - September 1941. 616
Price ratios (hog-corn), Argentina, 1939,1940 615
Prices, Buenos Aires, January 1939 - September 1941 615
Meat:
Carry-over, New Zealand, Sept. 30, 1941 619
Exports, Uruguay, 1937-1940, January-April 1941 619
Production, New Zealand, 1940-41 619
Oats, production, Canada, 1940,1941 604
Pears:
Production, Switzerland, 1935-1941 612
Supplies (for marketing), Switzerland, 1937-1941 612
Pork, exports, Argentina,1939,1940, January-September 1941 617
Rice, imports, Cuba, 1939,1940 January-September 1941 608
Rye, production, Canada, 1940,1941 604
Tobacco:
Area, Rumania, 1932-1941 609
Harvesting of suckers, decree, Algeria, Sept. 10, 1941 610
Production, Rumania, 1932-1941 . 609
Supply, conservation efforts, Sweden, 1941-42 610
Yield, Rumania, 1932-1941 609
Tomatoes, production, Bahama Islands, 1940,1941 614
Wheat:
Area, Australia, 1935-36 to 1941-42 606,607
Exports (incl. flour), U.S., July 1939 - September 1941 ... 605
Government regulation, Australia, July 30, 1941 606
Prices, fixed, increase, France, October 1941 607
Production:
Australia, 1935-36 to 1941-42 606,607
Canada, 1940,1941 604
Yield, Australia, 1935-36 to 1941-42 606
Wool:
Exports, Argentina, 1939-40, 1940-41 620
Exportable surplus, Argentina, 1941-42 620
Production, Argentina, 1940-41, 1941-42 620

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